



# UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE  
United States Patent and Trademark Office  
Address: COMMISSIONER FOR PATENTS  
P.O. Box 1450  
Alexandria, Virginia 22313-1450  
www.uspto.gov

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
-----------------	-------------	----------------------	---------------------	------------------

09/848,262

05/04/2001

Justin Charles Moodie

11266/113

6301

23838 7590 12/08/2008

KENYON & KENYON LLP  
1500 K STREET N.W.  
SUITE 700  
WASHINGTON, DC 20005

EXAMINER

ALVAREZ, RAQUEL

ART UNIT

PAPER NUMBER

3688

MAIL DATE

DELIVERY MODE

12/08/2008

PAPER

**Please find below and/or attached an Office communication concerning this application or proceeding.**

The time period for reply, if any, is set in the attached communication.

UNITED STATES PATENT AND TRADEMARK OFFICE

---

BEFORE THE BOARD OF PATENT APPEALS  
AND INTERFERENCES

---

*Ex parte* JUSTIN CHARLES MOODIE and  
MATTHEW PETER TRAVERS

---

Appeal 2008-4521  
Application 09/848,262  
Technology Center 3600

---

Decided: December 08, 2008

---

*Before* MURRIEL E. CRAWFORD, ANTON W. FETTING and DANIEL  
S. SONG, *Administrative Patent Judges*.

SONG, *Administrative Patent Judge*.

DECISION ON APPEAL

STATEMENT OF THE CASE

The Appellants appeal under 35 U.S.C. § 134 (2002) from a Final Rejection of claims 1-17 and 28-36. Claims 18-27 and 37-58 stand withdrawn from consideration. We have jurisdiction under 35 U.S.C. § 6(b) (2002).

The Appellants claim a method of providing rewards to users in which users accumulate points that can be redeemed for rewards.

Representative independent claims 1 and 28 read as follows:

1. In a reward scheme in which users accumulate points in respective user accounts, which points are redeemable for rewards, a method comprising:
  - a) receiving a voucher carrying a voucher code;
  - b) inputting the voucher code to a mobile terminal; and
  - c) transmitting the voucher code from the mobile terminal over a wireless network to a predetermined network address. (App. Br. pg. 9).
28. In a reward scheme in which users accumulate points in respective user accounts stored on a database, which points are redeemable for rewards, a method comprising:
  - a) receiving from a mobile terminal a message containing a voucher code and an identifying code; and
  - b) adding a points value derived from the voucher code to one of the user accounts selected according to the identifying code. (App. Br. pgs. 12-13).

Independent claims 14-17 are directed to similar reward schemes in which users accumulate points that can be redeemed for rewards.

The prior art relied upon by the Examiner in rejecting the claims is:

Holda-Fleck	5,729,693	Mar. 17, 1998
-------------	-----------	---------------

The Examiner rejected claims 1-17 and 28-36 under 35 U.S.C. § 103(a) as unpatentable over Holda-Fleck.

We AFFIRM.

## ISSUES

The following issues have been raised in the present appeal.

1. Whether the Appellants have shown that the Examiner erred in finding that Holda-Fleck describes “adding a points value.”

2. Whether the recitation “redeemable for rewards” in the preamble of the claims render the rejected claims patentable over Holda-Fleck.

### FINDINGS OF FACT

The record supports the following finding of fact (FF) by a preponderance of the evidence. Holda-Fleck describes a system 2 and method for providing a rebate to a user (i.e., a reward scheme) including receiving a product with a pre-assigned code (i.e., voucher carrying a voucher code), inputting the code in to a telephone (i.e., a terminal), and transmitting the code from the telephone over a telephone network 6 (i.e., a network) to a database 20 (i.e., to a predetermined network address) (col. 4, ll. 14-22, 28-35, 44-60; figs. 1 and 2).

### PRINCIPLES OF LAW

“Section 103 forbids issuance of a patent when ‘the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains.’” *KSR Int’l Co. v. Teleflex Inc.*, 127 S.Ct. 1727, 1734 (2007). The question of obviousness is resolved on the basis of underlying factual determinations including (1) the scope and content of the prior art, (2) any differences between the claimed subject matter and the prior art, (3) the level of skill in the art, and (4) where in evidence, so-called secondary considerations. *Graham v. John Deere Co.*, 383 U.S. 1, 17-18 (1966).

In *KSR*, the Supreme Court explained that “when a patent claims a structure already known in the prior art that is altered by the mere substitution of one element for another known in the field, the combination must do more than yield a predictable result.” *KSR*, 127 S.Ct. at 1740.

The Supreme Court also explained:

When a work is available in one field of endeavor, design incentives and other market forces can prompt variations of it, either in the same field or a different one. If a person of ordinary skill can implement a predictable variation, §103 likely bars its patentability. For the same reason, if a technique has been used to improve one device, and a person of ordinary skill in the art would recognize that it would improve similar devices in the same way, using the technique is obvious unless its actual application is beyond his or her skill.

*Id.* at 1740. The Court noted that “[t]o facilitate review, this analysis should be made explicit[,]” but “the analysis need not seek out precise teachings directed to the specific subject matter of the challenged claim[]” *Id.* at 1741, citing *In re Kahn*, 441 F.3d 977, 988 (Fed. Cir. 2006).

In construing a claim, “[i]f ... the body of the claim fully and intrinsically sets forth the complete invention, including all of its limitations, and the preamble offers no distinct definition of any of the claimed invention's limitations, but rather merely states, for example, the purpose or intended use of the invention, then the preamble is of no significance to claim construction because it cannot be said to constitute or explain a claim limitation.” *Pitney Bowes, Inc. v. Hewlett-Packard Co.*, 182 F.3d 1298, 1305 (Fed. Cir. 1999).

## ANALYSIS

The Examiner rejected all of the pending claims 1-17 and 28-36 as unpatentable stating that Holda-Fleck describes many of the recited limitations (FF 1) and taking various Official Notices regarding limitations not specifically described in Holda-Fleck (Ans. 3-4). The Appellants contend that a prima facie case of obviousness has not been met (App. Br. 7) and submit arguments directed specifically to independent claim 28 and arguments directed to independent claims 1, 14-17 and 28 as a group.

The Appellants initially argue that Holda-Fleck does not describe a process of adding points value to a user account as recited independent claim 28 because Holda-Fleck merely describes providing monetary rebates for the user's account (App. Br. 7). The Examiner responds that claim 28 does not exclude using rebate amounts and that the recited limitation "adding points value" can be interpreted as any form of value which is added to a user account (Ans. 5). Thus, the Examiner contends that Holda-Fleck teaches "adding value (i.e. credit) derived from a voucher code (i.e. product code) to a user account (i.e. purchaser's account)" (Ans. 5). We agree with the Examiner's analysis.

During prosecution, claims are to be given their broadest reasonable construction in light of the specification as it would be interpreted by one of ordinary skill in the art. *In re Am. Acad. of Sci. Tech. Ctr.*, 367 F.3d 1359, 1364 (Fed. Cir. 2004). Moreover, "[a]bsent claim language carrying a narrow meaning, the PTO should only limit the claim based on the specification or prosecution history when those sources expressly disclaim the broader definition." *In re Bigio*, 381 F.3d 1320, 1325 (Fed Cir. 2004). In the present case, there does not appear to be a specific definition of "points

value”, or a disclaimer within the Specification which would preclude interpreting the application of monetary credit value in Holda-Fleck as corresponding to the recited limitation “points value.” Therefore, we do not find the Examiner’s broader construction of “points value” to be unreasonable and conclude that the limitation “adding points value” is described in Holda-Fleck.

The Appellants also argue with respect to independent claims 1, 14-17 and 28 that Holda-Fleck does not describe a scheme in which accumulated points are redeemable for rewards as claimed, but instead, is limited to a rebate system (App. Br. 7 and 8). This argument is, in part, based on the argument already addressed *supra* relative to “points value,” except that the Appellants further argue that these accumulated points are “redeemable for rewards” (emphasis in App. Br. 7).

The Examiner states that the recitation “a scheme in which accumulated points are redeemable for rewards” is not given patentable weight because the recitation occurs in the preamble, merely recites the purpose of the recited process, and the body of the claim does not depend on the preamble for completeness (Ans. 5). The Appellants contend that the preamble must be accorded patentable weight because the preamble breathes life, meaning and vitality into the body of each of the claims (App. Br. 7; Reply Br. 4-6).

With respect to the preamble recitation “points are redeemable for rewards,” we partially agree with the Appellants, and find that the preamble recitation does breathe “life, meaning and vitality” into *some* of the rejected claims, namely, those claims that specifically recite a step involving points within the body of the claim (e.g., claim 28). Conversely, we find that in

those claims that do not recite a step involving points within the body (e.g., claim 1), the complete invention is fully set forth within the body and the preamble merely states intended use. *See Pitney Bowes*, 182 F.3d at 1305.

However, we do not find this issue regarding the preamble recitation to impact the outcome of the appeal because even if the preamble recitation is given patentable weight as argued by the Appellants, we fail to see how the recitation renders these claims unobvious and patentable over Holda-Fleck. In particular, the recitation “redeemable for rewards” of the preamble can be broadly construed since there does not appear to be any specific definition or disclaimer in the Specification. *See In re Am. Acad. of Sci. Tech. Ctr.*, 367 F.3d at 1364; *In re Bigio*, 381 F.3d at 1325. Thus, in our view, the method of Holda-Fleck satisfies the recitation of the preamble because Holda-Fleck teaches monetary credit value (i.e., accumulated points as discussed *supra*) being applied (i.e., redeemed) to the user’s account thereby reducing the account balance (i.e., a reward).

Moreover, we further note that the Appellants’ Specification acknowledges that it is known to administer loyalty schemes electronically over a communications network and that “[i]n conventional loyalty schemes, a customer is awarded points for carrying out transactions...” (Spec. ¶¶ 2 and 3). Thus, to the extent that there may be any distinction between “rebates” taught in Holda-Fleck and “rewards” claimed by the Appellants, we fail to see how the recitation of “points are redeemable for rewards” renders these claims unobvious since the claimed invention merely substitutes the “rebate” for “rewards” that are admitted to be already known in the field, to thereby yield a predictable result. *See KSR*, 127 S.Ct. at 1739-40.



The Appellants further set forth arguments asserting that the Appellants did not acquiesce to the Examiner's Official Notice of "the claimed points and rewards," but rather, a sufficient challenge to the Official Notice has been made (App. Br. 8). In this regard, the Appellants refer to the Response to Office Action of Sep. 18, 2006 in which the Appellants stated "[t]o the extent that the Examiner has taken Official Notice of the use of points, and the use of points in a rewards scheme as recited in the claims, such Official Notice is traversed. The Examiner is requested to provide references showing such[]" (Response to Office Action of Sep. 18, 2006, pages 11 and 12; App. Br. 8; Reply Br. 6). In support of their argument that the Appellants have properly contested the Examiner's Official Notice, the Appellants refer to the MPEP § 2144.03 (C) which states that "[a] general allegation that the claims define a patentable invention without any reference to the examiner's assertion of official notice would be inadequate" (Reply Br. 6).

However, the Appellants' arguments relative to Official Notice appear to be immaterial to the present appeal. Firstly, we note that the Examiner has taken Official Notice with respect to mobile terminals that operate over a wireless network (Ans. 3), issuing points or discounts based on user's answers to marketing questions (Ans. 4), and the use of password in logging into a server to receive awards (Ans. 4). These Official Notices have not been challenged by the Appellants, and thus, are taken to be admitted prior art. *See In re Chevenard*, 139 F.2d 711, 713 (CCPA 1943). However, it is not apparent as to where in the record the Examiner took an Official Notice with respect to the "use of points" or "use of points in a rewards scheme."

Secondly, even if such Official Notice was taken, we concur with the Examiner that the Appellants failed to sufficiently challenge the Official Notice (Ans. 6). In citing the MPEP for support, the Appellants rely on the portion of the MPEP addressing what constitutes an insufficient challenge to taking of an Official Notice (Reply Br. 6). However, we find it puzzling that the Appellants ignored the sentences immediately before the cited portion of the MPEP which addresses what does constitute a sufficient challenge to taking of an Official Notice. In particular, the portion of the MPEP ignored by the Appellants states that “[t]o adequately traverse such a finding, an applicant must specifically point out the supposed errors in the examiner’s action, which would include stating why the noticed fact is not considered to be common knowledge or well-known in the art. See 37 CFR 1.111(b).” MPEP § 2144.03 (C). An adequate traverse must contain adequate information or argument to create on its face, a reasonable doubt regarding the circumstances justifying Examiner’s notice of what is well known to one of ordinary skill in the art. *See In re Boon*, 439 F.2d 724, 728 (CCPA 1971).

Finally, as discussed *supra*, the Appellants’ Specification itself acknowledges that “[i]n conventional loyalty schemes, a customer is awarded points for carrying out transactions...” and further states that “...points can be accumulated and exchanged for rewards[]” (Spec. ¶ 2). Thus, the basis for the Appellants’ challenge to the purported Official Notice appears to be without merit.

In view of the above, we find that the Appellants have not shown that the Examiner erred in rejecting claims 1, 14-17 and 28 as unpatentable over Holda-Fleck. Furthermore, dependent claims 2-13 and 29-36 that ultimately depend from independent claims 1 or 28 were not argued separately on

appeal, the Appellants relying on patentability of independent claims 1 and 28 for patentability of these claims. Thus, because the Appellants have failed to show that the Examiner erred in rejecting claims 1 and 28, we conclude that the Appellants have failed to show that the Examiner erred in rejecting dependent claims 2-13 and 29-36 as well. *See* 37 C.F.R. 41.37(c)(1)(vii) (2007).

### CONCLUSIONS

1. The Appellants have not shown that the Examiner erred in finding that Holda-Fleck describes the limitation “adding a points value.”
2. The Appellants have not shown that the recitation “redeemable for rewards” in the preamble of the claims render the rejected claims patentable over Holda-Fleck.

### ORDER

The Examiner’s rejection of claims 1-17 and 28-36 is AFFIRMED.

No time period for taking any subsequent action in connection with this appeal may be extended under 37 C.F.R. § 1.136(a). *See* 37 C.F.R. § 1.136(a)(1)(iv) (2007).

AFFIRMED

Appeal 2008-4521  
Application 09/848,262

MAT

Kenyon & Kenyon LLP  
1500 K Street N.W.  
Suite 700  
Washington DC 20005